

107TH CONGRESS
1ST SESSION

S. 1717

To provide for a payroll tax holiday.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 2001

Mr. DOMENICI (for himself, Mr. BOND, and Mr. FRIST) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide for a payroll tax holiday.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PAYROLL TAX HOLIDAY.**

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law, the rate of tax with respect to remuneration
6 received during the payroll tax holiday period shall be zero
7 under sections 1401(a), 3101(a), and 3111(a) of the In-
8 ternal Revenue Code of 1986 and for purposes of deter-
9 mining the applicable percentage under section 3201(a),
10 3211(a)(1), and 3221(a) of such Code.

11 (b) PAYROLL TAX HOLIDAY PERIOD.—The term
12 “payroll tax holiday period” means the period beginning

1 after November 30, 2001, and ending before January 1,
2 2002.

3 (c) EMPLOYER NOTIFICATION.—The Secretary of the
4 Treasury shall notify employers of the payroll tax holiday
5 period in any manner the Secretary deems appropriate.

6 (d) TRANSFER OF FUNDS.—The Secretary of the
7 Treasury shall transfer from the general revenues of the
8 Federal Government an amount sufficient so as to ensure
9 that the income and balances of the trust funds under sec-
10 tion 201 of the Social Security Act and the Social Security
11 Equivalent Benefit Account under section 15A of the Rail-
12 road Retirement Act of 1974 (45 U.S.C. 231n–1) are not
13 reduced as a result of the application of subsection (a).

14 (e) DETERMINATION OF BENEFITS.—In making any
15 determination of benefits under title II of the Social Secu-
16 rity Act, the Commissioner of Social Security shall dis-
17 regard the effect of the payroll tax holiday period on any
18 individual's earnings record.

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